

STAT

SUPPLEMENT TO
REPORT NO.

THIS IS UNEVALUATED INFORMATION

FERTILIZER OUTPUT SHOWS INCREASE

- 2 -

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Every means will be used to lower the production cost. Last year Dr Otto Seidl lowered the production cost by reducing by 8 percent the amount of sulfuric acid used in the manufacture of superphosphate.

Potassium nitrate (Pet salt) is produced synthetically from ammonia nitrate and lime.

In 1944 the Peti Nitrogenmuvek, (Pet Nitrogen Plant, Inc) was bombed. The reconstruction of the plant was begun in 1946 and it started production in 1948. In 1940 the maximum daily production of potassium nitrate of the Peti Nitrogenmuvek was ten carloads, while the present daily average production is 19 - 20 carloads.

Yearly potassium nitrate production of the Peti Nitrogenmuvek is as follows (in tons): 1938, 11,000; 1941, 35,900; 1945 [not given]; 1946, 880; 1947, 5,130; 1948, 48,660; and 1949, [plant] 67,000.

In 1946 and 1947 the plant imported from Russia ammonia nitrate to be used in the manufacture of potassium nitrate. At that time our synthetic industry was not yet fully restored, so Peti Nitrogenmuvek used imported raw material. Many experiments are being conducted in the laboratories of the Peti Nitrogenmuvek for the preparation of artificial fertilizer. The object of the experiments is to produce combined nitrogenous and phosphatic fertilizers, so as to reduce the sulfuric acid import requirements for manufacture of fertilizer.

In the spring, 31,000 tons of superphosphate and 34,000 tons of potassium nitrate, and, in the fall, 38,000 tons of superphosphate and 29,000 tons of potassium nitrate, will be delivered under production agreement and paid for in cash and 50-percent credit. In addition, about 7,000 tons of potassium nitrate will be put on the open market during the spring campaign.

The production agreements are between Cukoripari Kozpont, (Sugar Industry Center), the Minosegi Magtermelteto NV (Quality Seed Production Company), and the Gazdasagi Magtermelteto NV (Agricultural Seed Production Company) on the one hand and agricultural cooperatives on the other hand. Actual distribution and sale of fertilizer will be handled by the Mutragya es Movenyvedoszerek Ertekesito NV (Fertilizer and Insecticide Co). About 2,000 cooperatives will be covered by the production agreements.

Since we are producing a surplus of potassium nitrate above our own requirements, a trade agreement was concluded with Egypt in November 1948 to ship 15,000 tons of potassium nitrate to that country during March and April 1949.

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